

Southwest Airlines Introduces New Era of Customer Comfort and Sustainability With Evolution of Cabin Interior Design

Refreshed Cabin Positions Southwest's Fleet for the Future

DALLAS, Jan. 17, 2012 /PRNewswire/ -- <u>Southwest Airlines</u> today introduced a new sleek cabin experience to enhance Customer comfort, improve fleet efficiency, and give back to the environment. Dubbed <u>Evolve: The New Southwest Interior</u>, the cabin update utilizes durable and environmentally responsible products to reduce waste and create weight savings onboard the aircraft, while enhancing comfort for Customers. Inspired by Southwest's past with a nod to the airline's future, the cabin refresh features recyclable carpet, a brighter color-scheme, and a more durable, eco-friendly, and comfortable low-profile seat that weighs less than the current seat. The new interior design also provides the unique opportunity of greater revenue potential by increasing the number of seats onboard from 137 to 143, without sacrificing Customer comfort and personal space but, at the same time, increasing under-seat room for carryon luggage.

"We are preparing now for our next 40 years with a fleet modernization plan that includes the new interior, the Boeing 737-800 which is scheduled to come online beginning in March this year, and the 737 MAX, which is expected to join the Southwest fleet in 2017," said Bob Jordan, Executive Vice President and Chief Commercial Officer. "The evolutionary changes we're making with the new interior uphold our low-cost roots and historic focus on Customer Service. The cabin upgrade also allows us to create significant revenue opportunities without adding unwanted fees."

Beginning with a partnership between Southwest's Maintenance and Engineering and Marketing Teams, Southwest set out to improve the inflight Customer Experience while increasing the durability of onboard materials, but without adding costs. In 2009, Southwest launched the "Green Plane" to test the market's latest sustainable products onboard an aircraft in an effort to forge a new path in onboard eco-friendly products. Based on the inflight test results and feedback from Customers onboard the Green Plane, Southwest's new *Evolve* interior features the E-Leather seat cover and many of the other products tested on the Green Plane including the carpet, life vest pouch, foam fill, and passenger seat rub strips. To view a time lapse video of a Boeing 737-700 transforming into the *Evolve: The New Southwest Interior*, click here. To read a blog post from Bob Jordan, visit our NUTS About Southwest blog. Check out photos of the new cabin interior and view the buck slip and seat diagram on swamedia.com.

Southwest will begin retrofitting its current fleet of 372 Boeing -700s with the *Evolve* interior in March 2012, anticipating completion in 2013, for a total estimated cost of approximately \$60 million. As integration of AirTran Airways, a wholly-owned subsidiary of Southwest, moves forward, Southwest anticipates that AirTran's Boeing -700s and 717s will also be retrofitted with the new cabin interior as those aircraft are converted into the Southwest

brand over the next several years. Other Southwest fleet types are still being evaluated for a possible retrofit.

The Evolution of the New Cabin Interior Improves Customer Experience and Preserves Personal Space

With a continued focus on Customer comfort, *Evolve: The New Southwest Interior* retrofit enhances the Customer Experience:

- Modern Cabin Design: The new design incorporates natural, earthy tones combined
 with Southwest's iconic Canyon blue and clean, aluminum accents for a more modern,
 fresh appeal. The redesign is inspired by Southwest's past with a nod to the future.
- **Lighter and More Comfortable Seat:** The redesigned low-profile seat is more durable, made of eco-friendly products, is lighter, and more comfortable.
- **Increased Under-Seat Space**: The new design allows for more under-seat room for carryon luggage and approved pet carriers.
- Customer Living Space: Reducing the recline from three inches to two inches
 preserves onboard personal living space while still allowing for ample seat adjustment
 for Customer comfort.
- Seatback pockets: The new netted seatback pockets are streamlined to provide more knee room.
- Headrest: The fixed-wing headrest provides better neck and head alignment with sideto-side support for sleeping.
- Improved Ergonomics: The combination of the low-profile cushion and fixed wing headrest improves ergonomics by positioning Customers "down and back" into the seat, allowing for better lumbar support, armrest alignment, and increased personal living space.

Southwest Introduces New Era of Cabin Sustainability

Over the decades, Southwest has been at the forefront of such efficiencies as paperless tickets, quick aircraft turnarounds, and the installation of winglets onboard its aircraft. For more than 40 years, Southwest has been a Maverick in the airline industry, and the refreshed design is charting a new course for sustainable cabin interiors. The new cabin interior features these sustainable products:

- Seats: The new seats are constructed using eco-friendly products that offer more
 durability of the current seat, as well as a weight savings of nearly six pounds per
 seat. A lighter weight fill from Franklin Products in the back of the seat provides
 increased Customer comfort. The improved durability of the redesigned seat coupled
 with fuel savings from 635 pounds less weight per aircraft is expected to result in more
 than \$10 million in ongoing annual cost savings.
- **Seat Cover:** The new seats are made using <u>E-Leather</u>, an eco-friendly, lightweight, and scuff resistant alternative to traditional leather. E-Leather is made from natural leather fiber that is upgraded and combined with a high performance core utilizing eco-friendly technology. The seat cover is manufactured by Irvin Automotive of Pontiac, MI, and they produce high quality covers quickly and at a much lower cost than our current manufacturer.
- **Seat Frame:** In our mission to improve the Customer Experience yet increase sustainability and contain costs, we will preserve the interior foundation as part of the redesign by using the existing B/E Aerospace Innovator II seat frame on 372 of our

- existing -700 fleet (excluding AirTran's -700s). By using the existing seat frames, we avoid spending an additional \$50 million to refresh the cabin.
- Carpet: The new interior carpet is produced by InterfaceFLOR and will be applied in carpet squares, thus eliminating the need for total replacement of individual areas and reducing labor and material costs. The carpet is manufactured in a closed loop recycled process dedicated to being completely carbon neutral.
- **Life Vest Pouch:** The new pouch containing the life vest is more environmentally friendly, offering a weight savings of one pound per seat. The smaller pouch also creates more room under the seat for carryon items.
- **Wind Screen:** The new bulkhead product has a longer lifespan, thus reducing the labor costs and waste that result from more frequent replacements or repairs.
- **Durable Recyclable Aluminum:** By switching from plastic to a recyclable aluminum, we are increasing durability and reducing waste on the rub strips, tray table latches, and seat arm trim pieces.

Evolve: The New Southwest Interior is a win for each aspect of the triple bottomline: **Performance**, for increased durability, improved fuel burn, and additional revenue opportunity; **People**, with a new interior that emphasizes comfort and personal space; and **Planet**, for featuring sustainable, recyclable materials.

Southwest Airlines continues to differentiate itself from other low-fare carriers—offering a reliable product with exemplary Customer Service. Southwest Airlines is the nation's largest carrier in terms of originating domestic passengers boarded and has recently acquired AirTran Airways, now a wholly owned subsidiary of Southwest Airlines Co. Southwest serves 72 cities in 37 states and is one of the most honored airlines in the world known for its commitment to the triple bottom line of Performance, People, and Planet. To read more about how Southwest is doing its part to be a good citizen, visit southwest.com/citizenship to read the Southwest Airlines One ReportTM. Based in Dallas, Southwest currently operates more than 3,300 flights a day and has more than 37,000 Employees systemwide.

- www.southwest.com -

Cautionary Statement Regarding Forward-Looking Statements

This news release contains forward-looking statements regarding (i) Southwest's fleet modernization plans, in particular Southwest's introduction of a new cabin design to a portion of its fleet; and (ii) the expected benefits associated with such plans. These forward-looking statements are based on the Company's current intent, expectations, and projections and are not guarantees of future performance. These statements involve risks, uncertainties, assumptions, and other factors that are difficult to predict and that could cause actual results to vary materially from those expressed in or indicated by them. Factors include, among others, (i) receipt of any applicable regulatory certifications; (ii) the impact of fuel prices, economic conditions, and actions of competitors on the Company's business decisions, plans, and strategies; and (iii) the Company's ability to timely and effectively prioritize its initiatives and its related ability to timely implement, transition, and maintain the necessary systems and infrastructure to support these initiatives.